

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

ARMSTRONG FLOORING, INC.,
et al.,

Debtors.¹

Chapter 7

Case No. 22-10426 (MFW)

(Jointly Administered)

Hearing Date: June 21, 2023 at 2:00 p.m. (ET)

Objection Deadline: June 7, 2023 at 4:00 p.m. (E.T.)

**FINAL APPLICATION OF GROOM LAW GROUP, CHARTERED, FOR
COMPENSATION AND REIMBURSEMENT OF EXPENSES AS SPECIAL
EMPLOYEE BENEFITS COUNSEL FOR THE DEBTORS FOR THE PERIOD FROM
MAY 8, 2022 THROUGH AND INCLUDING JANUARY 31, 2023**

Name of Applicant:

Groom Law Group, Chartered

Authorized to Provide Professional Services to:

Debtors and Debtors-in-Possession, Effective as of
May 8, 2022

*Period for Which Compensation and Reimbursement is
Sought:*

May 8, 2022 through and including January 31, 2023

*Amount of Compensation Sought as Actual,
Reasonable and Necessary:*

\$268,895.00

*Amount of Expense Reimbursement Sought as Actual,
Reasonable and Necessary:*

\$0

This is a(n) _____ Interim _____ Monthly √ Final Fee Application.

This is Groom Law Group, Chartered's final application.

¹ The Debtors in these chapter 11 cases, along with the last four digits of their respective tax identification numbers, are as follows: Armstrong Flooring, Inc. (3305); AFI Licensing LLC (3265); Armstrong Flooring Latin America, Inc. (2943); and Armstrong Flooring Canada Ltd. (N/A). The address of the Debtors' corporate headquarters is PO Box 10068, 1770 Hempstead Road, Lancaster, PA 17065.

SUMMARY OF MONTHLY FEE APPLICATIONS FOR APPLICABLE PERIOD:

			REQUESTED		APPROVED		HOLDBACK FEES (20%)
	DATE FILED	PERIOD COVERED	FEES	EXPENSES	FEES (80%)	EXPENSES (100%)	
First Monthly Application	June 27, 2022 [Docket No. 457]	05.01.2022-05.31.2022	\$43,680.50	--	\$34,944.40	--	\$8,736.10
Second Monthly Application	July 19, 2022 [Docket No. 582]	06.01.2022-06.30.2022	\$91,340.50	--	\$73,072.40	--	\$18,268.1
Third Monthly Application	Aug. 15, 2022 [Docket No. 701]	07.01.2022-07.31.2022	\$20,755.00	--	\$16,604.00	--	\$4,151.00
Fourth Monthly Application	Sept. 19, 2022 [Docket No. 836]	08.01.2022-08.30.2022	\$4,495.00	--	\$3,596.00	--	\$899.00
Fifth Monthly Application	Oct. 20, 2022 [Docket No. 935]	09.01.2022-09.30.2022	\$42,152.50	--	\$33,722.00	--	\$8,430.50
Sixth Monthly Application	Nov. 21, 2022 [Docket No. 1010]	10.01.2022-10.31.2022	\$34,217.50	--	\$27,374.00	--	\$6,843.50
Seventh Monthly Application	Dec. 16, 2022 [Docket No. 1046]	11.01.2022-11.30.2022	\$14,582.00	--	\$11,665.60	--	\$2,916.40
Eighth Monthly Application	Jan. 20, 2023 [Docket No. 1094]	12.01.2022-12.31.2022	\$8,860.50	--	\$7,088.40	--	\$1,772.10
Ninth Monthly Application	February 15, 2023 [Docket No. 1214]	01.01.2023-01.31.2023	\$8,811.50	--	\$7,049.20	--	\$1,762.30
Final Application	TOTAL:		\$268,895.00	--	\$215,116.00	--	\$53,779.00

SUMMARY OF OBJECTIONS TO MONTHLY FEE APPLICATIONS:

No objections received on any monthly application.

SUMMARY OF FINAL FEE APPLICATION

Name of Applicant:	Groom Law Group, Chartered
Name of Client:	Debtor
Time Period Covered by Final Application:	May 8, 2022 – January 31, 2023
Total Compensation Sought During the Final Application Period:	\$268,895.00
Petition Date:	May 8, 2022
Retention Date:	May 20, 2022
Date of Order Approving Employment:	June 7, 2022
Total Compensation Approved by Interim Order to Date:	\$268,895.00
Total Expenses Approved by Interim Order to Date:	N/A
Total Allowed Compensation Paid to Date:	\$256,954.00
Total Allowed Expenses Paid to Date:	N/A
Blended Rate in the Final Application for All Attorneys:	\$886.51
Blended Rate in the Final Application for All Timekeepers:	\$842.40
Compensation Sought in the Final Application Already Paid Pursuant to a Monthly Compensation Order, but Not Yet Allowed:	\$0
Expenses Sought in the Final Application Already Paid Pursuant to a Monthly Compensation Order, but Not Yet Allowed:	N/A
Number of Professionals Included in Final Application:	15

Number of Professionals Billing Fewer than Fifteen (15) Hours to the Case During the Application Period:	12
Are Any Rates Higher than those Approved or Disclosed at Retention?	No

**CUMULATIVE SUMMARY OF COMPENSATION BY PROFESSIONAL
FOR THE PERIOD MAY 8, 2022 THROUGH JANUARY 31, 2023**

NAME OF PROFESSIONAL INDIVIDUAL	POSITION, YEAR OF OBTAINING RELEVANT LICENSE TO PRACTICE	HOURLY BILLING RATE	TOTAL HOURS BILLED	TOTAL COMPENSATION
David W. Powell	Principal, Member of the D.C. Bar since 1986	\$1,115	.3	\$334.50
Elizabeth T. Dold	Principal, Member of the D.C. Bar since 1998	\$1,085	1.1	\$1,193.50
David N. Levine	Principal, Member of the D.C. Bar since 1999	\$1,050	.3	\$315.00
Christy A. Tinnes	Principal, Member of the D.C. Bar since 1999	\$1,005	1.0	\$1,005.00
Jennifer E. Eller	Principal, Member of the D.C. Bar since 2001	\$1,005	2.3	\$2,311.50
Katherine B. Kohn	Senior Counsel, Member of the D.C. Bar since 2012	\$885 \$940*	207.7 8.5	\$183,814.50 \$7,990.00
Mark E. Carolan	Senior Counsel, Member of the D.C. Bar since 2013	\$875 \$920*	45.7 .6	\$39,987.50 \$552.00
Michael B. Kreps	Principal, Member of the D.C. Bar since 2008	\$920	2.2	\$2,024.00
Rose Zaklad	Principal, Member of the D.C. Bar since 2013	\$920	5	\$4,600.00
Ellen M. Goodwin	Senior Counsel, Member of the D.C. Bar since 2002	\$905	1.4	\$1,267.00
Katie B. Amin	Principal, Member of the D.C. Bar since 2014	\$900	9.5	\$8,550.00
Josh Shapiro	Senior Actuarial Advisor	\$900	1.1	\$990.00
David J. Ashner	Associate, Member of the D.C. Bar since 2015	\$815	10.8	\$8,802.00
Andi Shahinllari	Paralegal	\$265	1.6	\$424.00
Lindsey F. Stiles	Paralegal	\$235 \$245*	19 1.1	\$4,465.00 \$269.50
TOTAL:			319.2	\$268,895.00
ATTORNEY COMPENSATION:				\$263,736.50
TOTAL ATTORNEY HOURS:				297.5
BLENDED HOURLY RATE:				\$886.51

*Reflects the increase in hourly rate effective January 1, 2023, and only applies to hours billed in January 2023 for this application.

**CUMULATIVE SUMMARY OF PROFESSIONAL SERVICES
 RENDERED BY PROJECT CATEGORY FOR THE PERIOD
MAY 8, 2022 THROUGH JANUARY 31, 2023**

PROJECT CATEGORY	TOTAL HOURS	TOTAL FEES
Analyze/Review	151.2	\$133,036.00
Draft/Revise/Prepare	96.5	\$72,496.50
Calls/Conference/Communicate	71.5	\$63,362.50
TOTAL:	319.2	\$268,895.00

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**FINAL APPLICATION OF GROOM LAW GROUP, CHARTERED, FOR
COMPENSATION AND REIMBURSEMENT OF EXPENSES AS SPECIAL
EMPLOYEE BENEFITS COUNSEL FOR THE DEBTORS FOR THE PERIOD
FROM MAY 8, 2022 THROUGH AND INCLUDING JANUARY 31, 2023**

Groom Law Group, Chartered (“**Groom**”), special employee benefits counsel to the debtors and debtors-in-possession (the “**Debtors**”), hereby submits its final application (the “**Application**”), pursuant to sections 330 and 331 of title 11 of the United States Code §§ 101-1532 (the “**Bankruptcy Code**”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), Rule 2016-2 of the Local Rules of Bankruptcy Practice and Procedure for the *Order Authorizing Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* [Docket No. 258] entered June 1, 2022 (the “**Interim Compensation Order**”) and the *Order Converting Debtors’ Chapter 11 Cases to Cases Under Chapter 7 of the Bankruptcy Code* [Docket No. 258] entered April 17, 2023 (the “**Conversion Order**”) for (i) the allowance of interim compensation for professional services performed by Groom for the period from May 8, 2022 through and including January 31, 2023 (the “**Compensation Period**”) in the amount of \$268,895.00 (the “**Final Compensation Amount**”); and (ii) reimbursement of its actual

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and necessary expenses in the amount of \$0 (the “**Final Expense Amount**”) incurred during the Compensation Period. In support of this Application, Groom respectfully represents:

JURISDICTION AND VENUE

1. The Court has jurisdiction over the Debtors, their estates, and this matter under 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012. This is a core proceeding under 28 U.S.C. § 157(b).

2. Venue of this proceeding and this Application is proper in this district pursuant to 28 U.S.C. § 1408.

3. Pursuant to Local Rule 9013-1(f), Groom consents to the entry of a final order by the Court in connection with this Application, to the extent it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments consistent with Article III of the United States Constitution.

4. The statutory predicates for the relief sought herein are sections 330 and 331 of the Bankruptcy Code, Bankruptcy Rule 2016 and Local Rule 2016-2.

BACKGROUND

A. GENERAL BACKGROUND.

5. On May 8, 2022 (the “**Petition Date**”), the Debtors each filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code in the Court, thereby commencing these cases (the “**Chapter 11 Cases**”). The Chapter 11 Cases are being jointly administered.

6. On June 1, 2022, the Court signed the Interim Compensation Order, authorizing certain professionals (“**Professionals**”) to submit monthly applications for interim compensation and reimbursement for expenses, pursuant to the procedures specified therein.

7. On April 17, 2023, as set forth in the Conversion Order, the Chapter 11 Cases were converted to cases under Chapter 7 of the Bankruptcy Code.

8. The Conversion Order directed professionals retained in the Chapter 11 Cases to submit final fee applications to the Court in accordance with the Bankruptcy Code, Bankruptcy Rules, Local Rules, and orders of the Court by no later than thirty (30) days from entry of the Conversion Order.

B. THE RETENTION OF GROOM LAW GROUP, CHARTERED.

9. On May 20, 2022, the Debtors filed the *Application of Debtors for Order Authorizing the Retention and Employment of Groom Law Group, Chartered as Special Employee Benefits Counsel to the Debtors Nunc Pro Tunc to the Petition Date* [Docket No.193] (the “**Retention Application**”).

10. On June 7, 2022, the Court entered the *Order Authorizing Employment and Retention of Groom Law Group, Chartered as Special Employee Benefits Counsel to the Debtors Nunc Pro Tunc to the Petition Date* [Docket No. 310] (the “**Retention Order**”).

RELIEF REQUESTED

11. By this Application, and in accordance with the Conversion Order, Groom requests approval of the Compensation Amount and the Expense Amount for the Compensation Period

12. During the Compensation Period, Groom incurred fees in the amount of \$268,895.00 and expenses in the amount of \$0.

13. During the Compensation Period, Groom performed the services for which it is seeking compensation from the Debtors and their estates. Except as provided herein, Groom received no payment and no promises of payment from any source for services rendered, or to be rendered, in any capacity whatsoever in connection with the matters covered by this Application.

There is no agreement or understanding between Groom and any other person, other than members of the firm, for the sharing of compensation received for services rendered in this case.

14. The following information is provided pursuant to Paragraph 9 of the Conversion Order.

- i. To date, Groom has received \$256,954.00 in fees and \$0 expenses from the Debtors.
- ii. Additionally, Groom has received \$10,211.68 from the trust of the Retirement Income Plan of Armstrong Flooring, Inc. (“Plan”) for trust-payable expenses relating to the Plan’s termination. Groom is no longer seeking reimbursement of this amount from the Debtors.
- iii. Groom received a retainer from one or more Debtors in the amount of \$199,875.00 (included in the amounts received in subparagraph (i)). The amount remaining in the retainer account held by Groom is \$0.
- iv. The remaining amount outstanding is \$1,729.32, consisting of previously-approved but unpaid fees.²

15. Groom understands that (a) the professional fee escrow account at Delaware Trust Company held approximately \$321,958.45 as of May 3, 2023; and (b) the supplemental carve-out fund contributed by the lenders for the wind down of the Debtors’ estates held at Bank of America, N.A. contained approximately \$1 million after the Conversion Order was entered, including approximately \$500,000 allocated for payment of professional fees.

² These amounts are not trust-payable and cannot be reimbursed from the Plan trust.

16. Groom's monthly fee applications during the Compensation Period have been filed and served in accordance with the Interim Compensation Order. Each of the monthly fee applications is incorporated by reference as if fully set forth herein.

17. The Retention Order authorizes the Debtors to compensate Groom in accordance with the procedures set forth in Bankruptcy Code sections 330 and 331, the Bankruptcy Rules, the Local Rules, and such other procedures as were to be fixed by order of the Court. On June 1, 2022, the Court entered the Interim Compensation Order, which established such procedures.

18. In accordance with the factors enumerated in Bankruptcy Code section 330, Groom respectfully submits that the amount requested by Groom in this application is fair and reasonable given (a) the complexity of these cases, (b) the time expended, (c) the nature and extent of the services rendered, (d) the value of such services, and (e) the costs of comparable services other than in a case under the Bankruptcy Code. Moreover, Groom has reviewed the requirements of Local Rule 2016-2 and the Interim Compensation Order and believes that this Application together with the previously filed monthly fee applications comply with such Rule and order. To the extent that this Application and the previously filed monthly fee applications fail to comply with Local Rule 2016-2 in any respect, Groom submits that such non-compliance is non-material, and respectfully requests that such non-compliance be waived.

19. All services for which compensation is requested by Groom were performed for or on behalf of the Debtors. Groom's services have been necessary and beneficial to the Debtors and their estates.

NOTICE

Notice of this Application will be served upon: (a) the Debtors, c/o Armstrong Flooring, Inc., P.O. Box 10068, 1770 Hempstead Road, Lancaster, Pennsylvania 17065 (Attn: Christopher Parisi (csparisi@armstrongflooring.com)); (b) the Applicant, Groom Law Group, Chartered, 1701 Pennsylvania Ave. N.W., Washington, D.C. 20006 (Attn: Katherine B. Kohn (kkohn@groom.com)); (c) counsel to the Debtors, Skadden, Arps, Slate, Meagher & Flom LLP, 920 North King St., Wilmington DE 19801 (Attn: Joseph Larkin, Esq. (joseph.larkin@skadden.com) and Jacqueline Dakin, Esq. (jacqueline.dakin@skadden.com) and 155 North Wacker Drive, Chicago, Illinois 60606 (Attn: Ron Meisler (ron.meisler@skadden.com), Jennifer Madden (Jennifer.madden@skadden.com), and Anthony Joseph (anthony.joseph@skadden.com)); and Chipman Brown Cicero & Cole, LLP, 1313 North Market Street, Suite 5400, Wilmington, Delaware 19801 (Attn: Robert A. Weber (weber@chipmanbrown.com), and Mark L. Desgrosseilliers (desgross@chipmanbrown.com); (d) counsel to the Official Committee of Unsecured Creditors, Cole Schotz PC; 500 Delaware Avenue, Suite 1410, Wilmington, Delaware 19801, (Attn: Justin Alberto, Esquire (jalberto@coleschotz.com)), and, 1325 Avenue of the Americas, 19th Floor, New York, New York, 10019 (Attn: Seth Van Aalten, Esquire (svanaalten@coleschotz.com)); (e) the U.S. Trustee, 844 King Street, Suite 2007, Wilmington, Delaware 19801 (Attn: Linda Casey, Esquire (linda.casey@usdoj.gov)); and (f) counsel to the Lenders, McGuireWoods LLP, 1251 Avenue of the Americas, 20th Floor, New York, New York 10020-1104 (Attn: Brian Swett, Esquire (BSwett@mcguirewoods.com)) and Greenberg Traurig, One Vanderbilt Avenue, New York, New York 10017 (Attn: Brian E. Greer, Esquire (greerb@gtlaw.com)) (collectively, the “**Notice**

Parties”). The notice of hearing of this Application will be served on parties that have requested notice pursuant to Bankruptcy Rule 2002.

WHEREFORE, Groom respectfully requests that the Court enter an order (a) allowing Groom final compensation in the amount of \$268,895.00 for actual, reasonable and necessary professional services rendered on behalf of the Debtors during the Compensation Period; and granting such further relief as may be just and proper.

Dated: May 15, 2023
Washington, D.C.

GROOM LAW GROUP, CHARTERED

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